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ATTORNEY DOCKET NO. STUD-0001

PATENT



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

#7
3/18/03

Applicant: Arthur Dale Burns

Serial No.: 09/603,510

Filed: June 26, 2000

Title: STUDENT LOAN CONSOLIDATION QUALIFICATION SYSTEM
AND METHOD OF OPERATION THEREOF

Grp./A.U.: 3624

Examiner: Alain L. Bashore

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Honorable Commissioner of Patents
Washington, D.C. 20231

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Sir:

REQUEST FOR RECONSIDERATION OF EXAMINER'S ACTION

The Applicant has carefully considered this application in connection with the Examiner's Action mailed January 30, 2003 and respectfully requests reconsideration of this application in view of the following remarks.

The Applicant originally submitted Claims 1-22 in the application. The Applicant has not amended, canceled or added any claims herein. Accordingly, Claims 1-22 are currently pending in the application.

I. Rejection of Claims 1-22 under 35 U.S.C. §112

The Examiner has rejected Claims 1-22 under 35 U.S.C. §112 as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. With respect to Claims 1-8 and 16-22, the Examiner has taken the position that “modules,” as used in the independent claims, were not described in the specification in a way to enable the invention. With respect to Claims 9-22 the Examiner has taken the position that the term “Internet site,” as used in the independent claim, was not described in the specification in a way to enable the invention.

The Examiner has taken the position that the terms “module” and “Internet site” as used in the claims were not described in the specification in “an enabling manner.” The Examiner states that “[b]road functionality of modules described is not sufficient without further description of the software(i.e. interface and implementation to perform task) / hardware (description of self-contained component) utilized.” (Office Action, page 3). As similar statement is made with respect to the term “Internet site.” (Office Action, page 3). This position by the Examiner represents a profound departure from generally recognized legal requirements for making a claim with respect to software and computer based embodiments. It is the Applicant’s view that the Patent and Trademark Office’s preferred methodology with respect to claiming software and computer embodiments has been complied with in the application.

It is the view of the Applicant that the specification is not required to provide a detailed description of software or hardware that may be involved when terms such as “module” and “Internet site” are used, where such terms stand on there own as being clearly recognizable and well known to one skilled in the art. Those of ordinary skill in the art are well aware of those structural and

functional relationships required between software and hardware to functionally implement the “module” and/or “Internet site” as set forth in the claims. Those skilled in the art know that a variety of different programming techniques can be used to create a “module” as claimed and that a variety known different programming techniques can be used to practice the claimed invention (such techniques being dependent on such factors as the operating system used). It is clear that one of ordinary skill in the art would know how to practice the claimed invention to form an Internet site without having to rely on files, scripts, and databases set forth in the specification. These aspects of an Internet site are well known to those of ordinary skill in the art. As noted in the M.P.E.P.:

Claims and disclosures are not to be evaluated in a vacuum. If elements of an invention are well known in the art, the applicant does not have to provide a disclosure that describes those elements. In such a case the elements will be construed as encompassing any and every art recognized hardware or combination of hardware and software technique for implementing the defined requisite functionalities.

M.P.E.P. § 2106 (II)(C). Also, “[w]hat is conventional or well known to one of ordinary skill in the art need not be disclosed in detail.” M.P.E.P. § 2163 (II)(A)(3)(a). *See Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1384 (Fed. Cir. 1986), *cert. denied*, 480 U.S. 947 (1987). A patent need not teach, and preferably omits, what is well known in the art. *In re Buchner*, 929 F.2d 660, 661 (Fed. Cir. 1991). The Federal Circuit has repeatedly held that “the specification must teach those skilled in the art how to make and use the full scope of the claimed invention without ‘undue experimentation’.” *In re Wright*, 999 F.2d 1557, 1561 (Fed. Cir. 1993). Nevertheless, not everything necessary to practice the invention need be disclosed. In fact, what is well-known is best omitted. *In re Buchner*, 929 F.2d at 661; M.P.E.P. § 2164.08. The Applicant disputes the Examiner’s

conclusion that what is well known must be disclosed in the specification because a "module" such as those claimed are well known in the art and can be created without undue experimentation.

Notwithstanding the Applicant's belief that the Examiner has taken a position contrary to established law and not in accordance with what is believed to be the United States Patent and Trademark Office position with respect to claim requirements, the Examiner's attention is directed to page 12, lines 8-15, of the Application where the following statement is made:

Those of ordinary skill in the art will understand that the web site 110 is resident in a server and that the input module 120 and qualification module 130 are coded computer programs in such server. Those of ordinary skill in the art will also understand that the server is connected to the Internet 100 by a telephony connection and that a loan applicant accesses the web site 110 with a computer that is also connected to the Internet 100 by a telephony connection.

Thus, the Applicant recognizes that the modules are coded computer programs in a server and that the web site is also resident in such server. Coded programs used to develop modules such as those claimed are old technology, as is the technology required to cause a web site to be resident in a server. To the extent the Examiner requires an acknowledgment that modules are computer programs and that they and the web site are resident in a server, the foregoing language is more than sufficient.

The M.P.E.P. and the case law are clear that a patent need not teach what is well known in the art and that elaboration on well known terms should be omitted from the patent application. Therefore, the Applicant respectfully requests the Examiner to withdraw the 35 U.S.C. §112 rejection of Claims 1-22.

II. Rejection of Claims 16-22 under 35 U.S.C. §101

The Examiner has rejected Claims 16-22 under 35 U.S.C. §101 as being directed to a non-statutory subject matter. The Examiner has taken the position, contrary to the Applicant's understanding of the requirements of 35 U.S.C. §101, that a claim directed to an Internet site must claim hardware and a functional relationship between software and hardware components. As set forth above, this position appears to be contrary to the M.P.E.P. and well established precedent. As stated in the M.P.E.P.:

If elements of an invention are well known in the art, the applicant does not have to provide a disclosure that describes those elements. In such a case the elements will be construed as encompassing any and every art recognized hardware or combination of hardware and software technique for implementing the defined requisite functionalities.

M.P.E.P. § 2106 (II)(C). The Applicant disputes the Examiner's conclusion and respectfully requests that the Examiner withdraw his rejection of Claims 16-22 under 35 U.S.C. §101.

II. Rejection of Claims 1-22 under 35 U.S.C. §103

The Examiner rejected Claims 1-22 under 35 U.S.C. §103(a) as being unpatentable over Tengel, *et al.*, U.S. Patent No. 5,940,812 (Tengel), in view of Levine, *et al.*, U.S. Patent No. 6,233,566B1 (Levine), and Mottola, *et al.*, U.S. Patent No. 5,745,885 (Mottola) .

Tengel describes a loan origination system that matches a loan to a potential borrower via a telecommunications network. The system brings together, via the telecommunications network, potential borrowers and lenders. The loan origination system database secures information from the potential borrower as well as credit related information from at least one credit bureau. The loan origination database also stores the loan acceptance criteria and loan attributes from one or more

potential lenders. The system compares borrower attributes with the loan acceptance criteria to determine if a loan may be available to the potential borrower. Available loan attributes are analyzed to determine a ranking of loans, from which the borrower chooses a loan offered by a selected lender. A loan application is automatically generated from the borrower attributes and sent to the lender for loan approval. (Abstract).

Tengal is directed to the gathering of information with respect to the issuance of new loans. Tengal does not address gathering information from a loan applicant regarding a plurality of already existing and outstanding student loans made to a loan applicant with the view of qualifying such applicant for a consolidation loan. Tengal also does not describe informing a loan consolidator and loan applicant if the loans and applicant qualify for a loan consolidation. The Examiner states that figure 6 of Tengal provides for "informing said loan applicant and a lender only if said personal qualification and said loan qualification are positive." (Office Action, page 3). Figure 6 ranks qualified loans but there is no module that notifies a lender. The lender is only notified if the potential borrower initiates the contact. (Col. 9, lines 60-62). In addition, Tengal does not address or deal with any facet of a loan consolidation, much less a consolidation of student loans.

Levine does not overcome Tengal's shortcomings. Levine describes an online centralized financial products exchange system for creating a "marketplace" of financial products. More specifically, Levine provides a centralized exchange system for buying, selling and trading loans, using a plurality of servers to match potential loan buyers with potential loan sellers. The system does not provide for input from borrowers or potential borrowers. Instead it provides the purported marketplace to buy and sell loans already made to borrowers, with any borrower involvement. The system provides a database to store negotiation information (i.e., bidding) for selling and purchasing

loans; pre-set rules for pre-registered buyers and sellers; and the storing of risk/return information analysis. (Abstract). Levine, thus, addresses transactions by lenders and investors who view loans as a commodity to be monetized and sold, purchased or traded like any other commodity. Levine does not address and is not concerned with borrowers, much less borrowers seeking to consolidate loans. The system described in Levine is useful to purchasers and sellers of all types of loans, including banks, credit unions, mortgage brokers, investors, and so on. Levine is so far afield from Tengel that it is unreasonable to expect one of ordinary skill in the pertinent art to even consider Levine together with Tengel. The portions of Levine relied on by the Examiner are descriptions of various kinds of loans generally available as an investment commodity for interested purchasers and sellers of loans. There is no suggestion or motivation in Levine to combine loans made to a borrower into a single consolidated loan much less a suggestion or teaching that such could be done using computers and the Internet. Levine does not suggest or teach contact in any fashion between lenders and borrowers or potential borrowers. Thus, there is no suggestion or motivation, in Tengel, Levine, or in the knowledge generally available to one of ordinary skill in the pertinent art, to modify Tengel and Levine or to combine any of the teachings therein to arrive at the present invention.

Tengel, individually or in combination with Levine, thus fails to teach or suggest the invention recited in independent Claims 1, 9 and 16 and their dependent claims, when considered as a whole. Claims 1-22 are therefore not obvious in view of Tengel and Levine.

The system described in Mottola also does not overcome the shortcomings in Tengel. In fact, Mottola disparages student loans and uses their perceived shortcomings as justification for its alternative higher education funding plan. Mottola this teaches away from using student loans to finance a loan applicant's higher education. (Col. 1, lines 15-67; Col. 2, lines 1-13). Mottola is

directed solely to a “method and apparatus for implementing and administering a plan of investments for financing higher education”. (Col. 1, lines 17-18). Mottola does not include loans in the plan of investment nor does Mottola describe or suggest the consolidation of outstanding student loans.

Tengel, individually or in combination with Mottola, thus fails to teach or suggest the invention recited in independent Claims 1, 9 and 16 and their dependent claims, when considered as a whole. Claims 1-22 are therefore not obvious in view of Tengal and Mottola.

In view of the foregoing remarks, the cited references do not support the Examiner's rejection of Claims 1-22 under 35 U.S.C. §103(a). The Applicant therefore respectfully requests the Examiner to withdraw the rejection.

III. Conclusion

In view of the foregoing remarks, the Applicant now sees all of the Claims currently pending in this application to be in condition for allowance and therefore earnestly solicits a Notice of Allowance for Claims 1-22.

The Applicant requests the Examiner to telephone the undersigned attorney of record at (972) 480-8800 if such would further or expedite the prosecution of the present application.

Respectfully submitted,

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Dated: Feb 28, 2003

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